TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE Transcriber's Office

March 11, 1999 LB 514

excess of what the federal maximum level is at this point. That requires some contribution by the state, some contribution by the federal, and the state contribution comes from the universal service monies that they collect. If they go beyond that federal program, I think, they probably need some legislative authority.

SENATOR CHAMBERS: Now, I'm going to ask the question the other way. What can the Public Service Commission do in terms of maximizing benefits, under the existing law, in your opinion?

SPEAKER KRISTENSEN: I think they have the ability to promulgate rules and regulations and establish the administration of the Universal Service Fund so they are able to collect and utilize the full amount of federal contributions. So whatever they have to do to receive the federal money, in terms of setting up management, audits, checks, proper bank accounts, some internal procedures, they have the ability to do that. They also have the ability to set up the same thing to take Universal Service Funds that are collected when this program begins this year, and match those state funds with...against the federal funds, to get a maximum pool...pool or pot is the best way I can describe it, so they can give that credit to the individuals that qualify.

SENATOR CHAMBERS: My final question. Even though we are going to have this interim study, do you see anything that should prohibit the Public Service Commission from taking the steps which can maximize the benefits that would be available to the ones to receive it?

SPEAKER KRISTENSEN: Absolutely not. In fact, when we ran the original universal service bill a few years ago, that was the intent at that point in time, that they had the option to go ahead and do this. At a minimum, your amendment, two years ago, gave them the authority to establish and begin. I think the intent at that time was very clear that as this became more of a reality, and as we decided who was going to run and manage this, that they had the chance to maximize it. And I believe that's what they can do.

SENATOR CHAMBERS: And, Senator Kristensen, a couple of more questions for the record, in case anybody would refer to this.